

**Police Pension Fund
Board Minutes
Of
May 10, 2007**

PRESENT: Thomas M. McMahon, David M. Cituk, Ryan Hottenstein, Michael Fizz, Louis Rizzuto (Solicitor), Toyia Reed (HR Coordinator/Pension)

ABSENT: Kevin L. Rudy, William Heim

ORDER: Meeting was called to order by Mayor, Thomas M. McMahon @ 10:04 A.M.

PRESENTER: **1. Roger Barilani – Wachovia Securities**
Re: Portfolio Review & Proposal of Asset Allocations
 Mr. Barilani informed the Board that the current portfolio value is \$77.5 million. The Equity performance in the portfolio for the 1st quarter beat the INDEX. The S&P was up 0.6% for the 1st quarter. The Russell 1000 was up 1.2% for the quarter. Neuberger Berman was up 0.4% for the quarter. Navellier was up 2.2% for the quarter. The Fixed Income performance was steady for the 1st quarter. Invesco was up 1.1% for the quarter. Furman Selz was up 1.3% for the quarter. Allegiance was up 1.6% for the quarter. The Board requested that Mr. Barilani obtain backgrounds and in-depth financial reports on the various managers to be presented at the next (June) board meeting.

MINUTES: **MOTION** by Cituk/Fizz to approve the minutes dated April 12, 2007 as presented**MOTION PASSED UNANIMOUSLY.**

FINANCIAL REPORTS: **MOTION** by Cituk/Hottenstein to approve the following financial Reports ...**MOTION PASSED UNANIMOUSLY.**

Financial Report	April 2007
Statement of Transactions	April 2007

BILLS: **MOTION** by Fizz/Cituk to pay the following bills....**MOTION PASSED UNANIMOUSLY.**

1. Louis Rizzuto	\$ 427.00
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APPLICATIONS: None.

D.R.O.P. APPLICATIONS: None.

REFUNDS: None.

CORRESPONDENCE:

1. Civilian Buyback

MOTION by Cituk/Fizz to accept the correspondence regarding request to buyback civilian time with no interest bearing on the funds paid into the Police Pension Fund...**MOTION PASSED UNANIMOUSLY**

Police Officer Cheryl Gelsinger

Officer Gelsinger submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$25.00 per pay.

Sergeant Marc Pentheny

Sergeant Pentheny submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$25.00 per pay.

Police Officer Eric Suydam

Officer Suydam submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$20.00 per pay.

Criminal Investigator Madison Winchester

C.I. Winchester submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$10.00 per pay.

Police Officer

Officer Liggett submitted a letter requesting to rescind his previous letter of intent to buyback five years of Civilian Service via payroll deduction of \$75.00 per pay.

MOTION by Fizz/Hottenstein to refund any payments made to purchase (5) years Civilian Buyback...**MOTION PASSED UNANIMOUSLY**

OLD BUSINESS:

1. Military Buyback Update

The Police Pension Board is still awaiting a decision from City Council to amend the Police Pension Fund ordinance in order to correct the 15-7% to 15.7% typographical error.

2. D.R.O.P. Manual Update

Upon revision by Board Solicitor Rizzuto the D.R.O.P manual was distributed by Toyia to D.R.O.P. participants. Several discrepancies were brought to the Board's attention. The corrections should be submitted to Solicitor Rizzuto and then reprinted for distribution.

3. Calendar Year

Pension Board Solicitor Lou Rizzuto spoke with City of Reading Managing Director Leon Churchill regarding the meaning of Calendar Year. Mr. Churchill stated that as a part of a resolution of the grievance the administration is agreeable to the methodology of using a calendar year (1/31 – 12/31) to calculate pensions. The legal limits states that adjustments can be made 6 years prior to the date of the grievance. The Board will need to determine what the impact will be on the Pension Fund. Board member, Sergeant Fizz will provide how many people this will affect at the next (June) meeting.

5. Cost of Living Adjustment

The Pension Administrator has submitted to Milliman (Actuary) the information on the Police Pension Fund so that the actuarial study can be completed. Upon completion the Board will make a decision on whether or not a Cost of Living Adjustment will be issued.

6. Sergeant Mark Stump

Board member, David Cituk will research the discrepancy and provide clarification on the Plan Participant Report which does not show the individual contributions for the years 1980 and 1981.

7. Captain Edward Kosmerl

Re: D.R.O.P. Questions and Concerns

Captain Kosmerl has submitted an email regarding the discrepancy of over \$7,000 between his records and what is being reported on his monthly statement from Wachovia Securities with regard to his D.R.O.P. account. Toyia Reed will research this matter and report back to Captain Kosmerl and the Board.

NEW BUSINESS:

None.

ADJOURNMENT: **MOTION** by Hottenstein/Fizz to adjourn @ 10:44 A.M.

Respectfully submitted _____
Pension Coordinator